PREDPOL

PredPol Predictive Policing SaaS Subscription Agreement
with the City and Police Department of Livermore, California
August 2014

This Subscription Agreement ("Agreement") between PredPol, Inc., a California corporation, with offices at 2801 Mission Street, Suite 2803, Santa Cruz, CA 95060 ("PredPol") and The City of Livermore and the Livermore Police Department, with offices at 1110 South Livermore Avenue, Livermore, CA 94550 ("Client" or "LPD"). This Agreement is effective when signed by both parties (the "Effective Date"). This Agreement governs Client's access to and use of the Services.

1. Product and Payment.

Product. In consideration of the pricing and other obligations described herein, Client shall receive PredPol Services that are focused on crime predictions by shift, day, and location, including, but not necessarily related to, property damage, assault, and robbery.

Client shall receive PredPol Services for the Services Term set forth in applicable Statement of Work, executed by the parties and attached hereto. The annual subscription fees that Client agrees to pay for PredPol Services, as well as any one-time installation fees, are as described in the applicable Statement of Work.

A) Payment The payment for the setup fee is due seven (7) days after this Agreement is executed. The first annual payment is due on or before December 19, 2014. The Client will be invoiced annually thereafter on the anniversary of the Services Commencement Date unless another schedule is agreed to in writing. After the first year, fees for orders where PredPol issues an invoice are due upon Client's receipt of the invoice and are considered delinquent thirty days after the date of the applicable invoice. Payments shall be made in U.S. Dollars by either wire transfer or check.

B) Commencement of Service. The Service Commencement Date is the date upon which PredPol makes the Services available to Client. This date will follow receipt of the setup fee and Client taking the necessary steps to enable PredPol to setup the Services.

C) Invoices. Each year PredPol shall furnish to Client an original invoice for all work to be performed in a coming contract year. The first invoice shall be issuable upon full execution of this Agreement. Client will make all required payments to PredPol within thirty (30) days of receipt of PredPol's invoice, except as noted in Section 1.A. above.

D) Revising Rates. Rates may not be changed during the Initial Services Term of this Agreement without consent of both Parties. Following the end of the Initial Services Term, PredPol may revise its rates by providing Client written notice (which may be by email) at least thirty days prior to the effective date of the revision.

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E) *Delinquent Payments.* Delinquent payments shall bear interest at the rate of one-and-one-half percent per month (or the highest rate permitted by law if less) from the payment due date until paid in full. Client will be responsible for all reasonable expenses (including attorneys' fees) incurred by PredPol in collecting such delinquent amounts except where such delinquent amounts are due to PredPol's billing inaccuracies.

2. **Term**

A) *Term.* This Agreement will remain in effect for the Initial Services Term laid out in the applicable Statement of Work.

3. **Services.**

A) *License to Use.* Client shall be licensed and authorized to use the Services as provided as a SaaS. The license is non-transferable, non-assignable and non-exclusive.

B) *Facilities and Data Transfer.* Facilities used to store and process Client data will adhere to security standards no less protective than the standards used for PredPol's own information and shall be compliant with applicable laws.

C) *Modifications to the Services.* PredPol may make commercially reasonable changes to the Services. If PredPol materially changes the Services, PredPol will inform Client.

D) *Retention.* PredPol will have no obligation to retain archived Client data.

4. **Additional Client Obligations.**

Client agrees to provide the information and take the steps requested by PredPol to facilitate setup and implementation of the Services.

A) *License to Use Client Data.* The Client grants PredPol an irrevocable, non-exclusive license to use its data for purposes of research, development and testing of PredPol's services. Client authorizes PredPol to use its data for delivering services to Client and other law enforcement agencies.

B) *Compliance.* Client will use the Services in accordance with this Agreement, the applicable Statement of Work and all applicable laws.

C) *Login IDs and Passwords:* Client is solely responsible for monitoring and protecting the confidentiality of all Login IDs and Passwords issued to it and its End Users.

D) *Client Administration of the Services.* Client may specify one or more Administrators with the rights to administer the End User Accounts. Client is responsible for: (a) maintaining the confidentiality of the password and Admin Account(s); (b) designating individuals authorized to access the Admin Account(s); and (c) ensuring activities that occur in connection with the Admin Account(s) comply with this Agreement. Client

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agrees that PredPol's responsibilities do not extend to Client's internal management or administration of the Services.

E) Unauthorized Use. Client will use commercially reasonable efforts to prevent unauthorized use of the Services and to terminate any unauthorized use. Client will promptly notify PredPol of any unauthorized use of or access to the Services of which it becomes aware.

F) Restrictions on Use. Unless PredPol specifically agrees in writing, Client will not, and will use commercially reasonable efforts to make sure a third party does not: (a) sell, resell, lease or the functional equivalent, the Services to a third party; (b) attempt to reverse engineer the Services or any component; (c) attempt to create a substitute or similar service through use of, or access to, the Services. Client is solely responsible for ensuring that its use of the Services complies with all applicable laws and regulations.

G) Third Party Requests. Client is responsible for responding to third party requests. PredPol will, to the extent allowed by law and by the terms of the third party request: (a) promptly notify Client of its receipt of a third party request; (b) comply with Client's reasonable requests regarding Client's efforts to respond to a third party request; and (c) provide Client with the information or tools required for Client to respond to the third party request. Client will first seek to obtain the information required to respond to the third party request on its own and will contact PredPol only if it cannot reasonably obtain such information.

5. Technical Support Services.

A) By Client. Client will, at its own expense, respond to questions and complaints from End Users or third parties. Client will use commercially reasonable efforts to resolve support issues before escalating them to PredPol.

B) By PredPol. PredPol will provide the support necessary to resolve Client's issue, to the extent reasonably practicable in PredPol's discretion and in accordance with PredPol's standard Support & Maintenance Program, a copy of which is attached hereto.

6. Suspension Of End User Accounts by PredPol.

If PredPol becomes aware of an End User's violation of the Agreement, PredPol may request that Client suspend the applicable End User Account. If Client fails to comply with PredPol's request, PredPol may suspend the End User Account. The suspension will continue until the applicable End User has cured the breach.

A) Emergency Security Issues. If there is an emergency security issue (determined solely in PredPol's reasonable business judgment), PredPol may automatically suspend the offending use. Suspension will be to the extent and duration required to prevent or terminate the emergency security issue. If PredPol suspends an End User Account

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without prior notice to Client, at Client's request, PredPol will provide Client the reason for the suspension.

7.   Confidential Information.

A) Obligations. Each party will: (a) protect the other party's confidential information with the same standard of care it uses to protect its own; and (b) not disclose confidential information except to affiliates, employees and agents who need to know it and who have agreed in writing to keep it confidential. Confidential information may only be used to exercise rights and fulfill obligations under this Agreement, while using reasonable care to protect it. Each party is responsible for the actions of its affiliates' employees.

B) Required Disclosure. Each party may disclose the other party's confidential information when required by law but only after it, if legally permissible: (a) uses commercially reasonable efforts to notify the other party; and (b) gives the other party the chance to challenge the disclosure.

8.   Intellectual Property Rights: Brand Features.

A) Intellectual Property Rights. Except as expressly set forth herein, this Agreement does not grant either party any rights, implied or otherwise, to the other's content, brand features or intellectual property. Client grants to PredPol a non-exclusive license to use Client's Data for PredPol's legitimate business purposes, including providing products and services to law enforcement agencies.

9.   Disclaimers.

A) Disclaimers. TO THE EXTENT PERMITTED BY LAW, EXCEPT AS EXPRESSLY PROVIDED FOR HEREIN; (i). PREDPOL MAKES NO WARRANTIES OR REPRESENTATIONS ABOUT CONTENT OR INFORMATION MADE ACCESSIBLE BY OR THROUGH THE SERVICES; AND (ii) THE SERVICES ARE PROVIDED "AS IS" AND WITHOUT WARRANTIES OR CONDITIONS OF ANY KIND, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY, NON-INFRINGEMENT, QUIET ENJOYMENT, ACCURACY OF DATA, SYSTEM INTEGRATION, COURSE OF PERFORMANCE AND FITNESS FOR A PARTICULAR PURPOSE. PREDPOL AND ITS SUPPLIERS DO NOT GUARANTEE OR WARRANT THAT THE USE OF THE SERVICES WILL BE UNINTERRUPTED OR ERROR FREE. CLIENT ACKNOWLEDGES THAT THE SERVICES ARE NOT A TELEPHONY SERVICE AND THAT THE SERVICES ARE NOT CAPABLE OF PLACING OR RECEIVING ANY CALLS INCLUDING EMERGENCY SERVICES CALLS OVER PUBLICLY SWITCHED TELEPHONE NETWORKS.

B) Warranty. PredPol warrants and represents that its predictive tool integrates with - Client's RMS/CAD systems to provide real-time predictions to Client's police department. PredPol warrants all work performed or services rendered under the

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Agreement to be of good quality and free from any defective or faulty material and workmanship.

10. Termination.

A) Termination for Breach. Either party may suspend performance or terminate this Agreement if: (i) the other party is in material breach of the Agreement and fails to cure that breach within thirty days after receipt of written notice; (ii) the other party ceases its business operations or is subject to insolvency proceedings that are not dismissed within ninety days; or (iii) the other party is in material breach of this Agreement more than two times notwithstanding any cure of such breaches.

B) Effects of Termination. If this Agreement terminates, upon request each party will promptly use commercially reasonable efforts to return or destroy all other Confidential Information of the other party.

11. Indemnification.

A) By Client. Client will indemnify, defend, and hold harmless PredPol from and against all liabilities, damages, and costs (including settlement costs and reasonable attorneys' fees) arising out of a third party claim: (i) regarding Client Data; or (ii) regarding Client's use of the Services in violation of this Agreement or applicable law.

B) By PredPol. PredPol will defend and hold harmless Client against any third party claim that the Services infringe or misappropriate the intellectual property of a third party ("Infringement Claim"), and indemnify Client from all resulting costs and damages actually awarded against Client to the third party making such Infringement Claim by a court of competent jurisdiction or agreed to in settlement PredPol will have no obligations or liability under this Section arising from: (i) use of any Services or PredPol Brand Features in a modified form or in combination with materials not furnished by PredPol, and (ii) any content, information or data provided by Client, End Users or other third parties.

C) General. The party seeking indemnification will promptly notify the other party of the claim and cooperate in defending the claim. The indemnifying party will have full control and authority over the defense, except that: (a) any settlement requiring the party seeking indemnification to admit liability or to pay money will require that party's prior written consent, such consent not to be unreasonably withheld or delayed; (c) the other party reasonably cooperates with requests for assistance; and (b) the other party may join in the defense with its own counsel at its own expense. THE INDEMNITIES ABOVE ARE A PARTY'S ONLY REMEDY UNDER THIS AGREEMENT FOR VIOLATION BY THE OTHER PARTY OF A THIRD PARTY'S INTELLECTUAL PROPERTY RIGHTS.

12. Possible Infringement.

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A) *Repair, Replace, or Modify.* If PredPol reasonably believes the Services infringe a third party's Intellectual Property Rights, then PredPol will: (a) obtain the right for Client, at PredPol's expense, to continue using the Services; (b) provide a non-infringing functionally equivalent replacement; or (c) modify the Services so that they no longer infringe.

B) *Suspension or Termination.* If PredPol does not believe the foregoing options are commercially reasonable, then PredPol may suspend or terminate Client's use of the impacted Services. If PredPol terminates the impacted Services, then PredPol will provide a pro-rata refund of the unearned Fees.

13. Limitation of Liability.

A) *Limitation on Indirect Liability.* NEITHER PARTY WILL BE LIABLE UNDER THIS AGREEMENT FOR LOST REVENUES OR INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL, EXEMPLARY, OR PUNITIVE DAMAGES, EVEN IF THE PARTY KNEW OR SHOULD HAVE KNOWN THAT SUCH DAMAGES WERE POSSIBLE AND EVEN IF DIRECT DAMAGES DO NOT SATISFY A REMEDY.

B) *Limitation on Amount of Liability.* EXCEPT AS PROVIDED HEREIN, PREDPOL SHALL NOT BE HELD LIABLE UNDER THIS AGREEMENT FOR MORE THAN THE AMOUNT PAID BY CLIENT TO PREDPOL HEREUNDER DURING THE TWELVE MONTHS PRIOR TO THE EVENT GIVING RISE TO LIABILITY.

C) *Exceptions to Limitations.* These limitations of liability apply to the fullest extent permitted by applicable law but do not apply to breaches of confidentiality obligations, violations of a party's Intellectual Property Rights by the other party, or indemnification obligations.

14. Miscellaneous.

A) *Notices.* Unless specified otherwise herein, (a) all notices must be in writing and addressed to the attention of the other party's legal department and primary point of contact and (b) notice will be deemed given: (i) when verified by written receipt if sent by personal courier, overnight courier, or when received if sent by mail without verification of receipt; or (ii) when verified by automated receipt or electronic logs if sent by facsimile or email.

B) *Change of Control.* Upon a change of control (a) the party experiencing the change of control will provide written notice to the other party within thirty days after the change of control; and (b) the other party may terminate this Agreement any time between the change of control and thirty days after it receives the notice.

C) *Force Majeure.* Neither party will be liable for inadequate performance to the extent caused by a condition (for example, natural disaster, act of war, riot, labor condition, governmental action, and Internet disturbance) beyond the party's reasonable control;

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provided, that obligations that are purely financial in nature shall not be subject to this provision

D) *No Waiver.* Failure to enforce any provision of this Agreement will not constitute a waiver.

E) *Severability.* If any provision of this Agreement is found unenforceable, the balance of the Agreement will remain in full force and effect.

F) *No Agency.* The parties are independent contractors, and this Agreement does not create an agency, partnership or joint venture.

G) *Equitable Relief.* Nothing in this Agreement will limit either party's ability to seek equitable relief.

H) *Governing Law.* This Agreement is governed by California law, excluding that state's choice of law rules. FOR ANY DISPUTE ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE PARTIES CONSENT TO PERSONAL JURISDICTION IN, AND THE EXCLUSIVE VENUE OF, THE COURTS IN SANTA CRUZ COUNTY, CALIFORNIA. The parties explicitly agree that no other laws, treaties or regulations shall control this Agreement.

I) *Amendments.* Any amendment must be in writing and expressly state that it is amending this Agreement.

J) *Survival.* The following sections will survive expiration or termination of this Agreement: Section 3, 6, 7.1, 10, 11.2, 12, 13, 14 and 15.

K) *Entire Agreement.* This Agreement, and all documents referenced herein, is the parties' entire agreement relating to its subject and supersedes any prior or contemporaneous agreements on that subject.

L) *Interpretation of Conflicting Terms.* If there is a conflict between the documents that make up this Agreement, the documents will control in the following order: the Subscription Terms set forth in any separate quote prepared by PredPol, then the Agreement, and the terms located at any URL. If Client signs a physical agreement with PredPol to receive the Services, the physical agreement will override any online agreement.

M) *Counterparts.* The parties may enter into this Agreement in counterparts, including facsimile, PDF or other electronic copies, which taken together will constitute one instrument.

15. **Definitions.** (for terms that may appear either in this Agreement or in an attachment hereto)

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A) "Admin Account(s)" means the administrative account(s) provided to Client by PredPol for the purpose of administering the Services. The use of the Admin Account(s) requires a password, which PredPol will provide to Client.

B) "Administrators" mean the Client-designated technical personnel who administer the Services to End Users on Client's behalf.

C) "Affiliate" means any entity that directly or indirectly controls, is controlled by, or is under common control with a party.

D) "Brand Features" means the trade names, trademarks, service marks, logos, domain names, and other distinctive brand features of each party, respectively, as secured by such party from time to time.

E) "Confidential Information" means information disclosed by a party to the other party under this Agreement that is marked as confidential or would normally be considered confidential under the circumstances. Client Data is Client's Confidential Information. Confidential Information does not include information that: (a) the recipient of the Confidential Information already knew; (b) becomes public through no fault of the recipient; (c) was independently developed by the recipient; or (d) was rightfully given to the recipient by another party.

F) "Client Data" means data, including crime data, provided, generated, transmitted or displayed via the Services by Client or End Users.

G) "Emergency Security Issue" means either: (a) Client's use of the Services in violation of the Acceptable Use Policy, which could disrupt: (i) the Services; (ii) other Client's use of the Services; or (iii) the PredPol network or servers used to provide the Services; or (b) unauthorized third party access to the Services.

H) "End Users" means the individuals Client permits to use the Services.

I) "End User Account" means a PredPol-hosted account established by Client through the Services for an End User.

J) "Fees" means the amounts invoiced to Client by PredPol for the Services as described in an applicable Statement of Work.

K) "Initial Services Term" means the term for the applicable Services beginning on the Service Commencement Date and continuing until the renewal date (as set forth in the Statement of Work) or 12 months, whichever is later.

L) "Intellectual Property Rights" means current and future worldwide rights under patent law, copyright law, trade secret law, trademark law, moral rights law, and other similar rights.
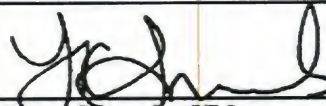
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M) "Subscription Terms" means the order document reflecting the financial terms of the subscription, including: (i) the Services being ordered; (ii) Fees; and (iii) Initial Services Term.

N) "Service Commencement Date" is the date upon which PredPol makes the Services available to Client. This date will follow receipt of the setup fee and Client taking the necessary steps to enable PredPol to setup the Services.

O) "Services" means the applicable PredPol product or service, as described in the attached Product Data Sheet or applicable Statement of Work.

P) "Services Term" means the applicable Initial Services Term and all renewal terms for the applicable Services as set out in the Statement of Work.

Q) "Statement of Work" means one or more fully-executed statements containing the terms and conditions for the provision of Services to or for the benefit of a specific Client.

R) "Suspend" means the immediate disabling of access to the Services, or components of the Services, as applicable, to prevent further use of the Services.

S) "Term" means the term of the Agreement, which will begin on the Effective Date and continue until the earlier of (i) the end of the last Services Term or (ii) the Agreement (or Statement of Work) is terminated as set forth herein.
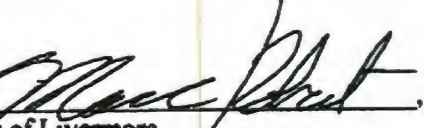
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EXECUTED as a sealed instrument as of the day and year first set forth below by the last counter-signatory.
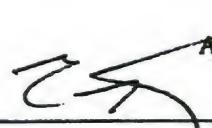
Representations and Warranties. Each party represents that it has full power and authority to enter into the Agreement. If you are accepting on behalf of your employer or another entity, you represent and warrant that: (i) you have full legal authority to bind your employer, or the applicable entity, to these terms and conditions; (ii) you have read and understand this Agreement; and (iii) you agree, on behalf of the party that you represent, to this Agreement. Each party warrants that it will comply with all laws and regulations applicable to its provision, or use of the Services.

DATED: _August 7_, 20_14_   PredPol, Inc.:

By: Larry Samuels, CEO

DATED: _September 10_, 20_14_   _____:

By: _____,
City of Livermore

Approved as to form:

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AGREEMENT FOR PREDICTIVE POLICING SERVICES
PREDPOL & THE LIVERMORE POLICE DEPARTMENT

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STATEMENT OF WORK
PREDICTIVE POLICING DEPLOYMENT

Predictive Policing SaaS Subscription Agreement
Between PredPol, Inc. and the Livermore Police Department
August 1, 2014

❑ OVERVIEW

PredPol, the predictive policing company, provides command staff, crime analysts, and patrol officers with proven, accurate, easy to use predictions for where and when crime is most likely to occur. This includes property crime, drug crime, gun violence, gang activity, and automobile traffic incidents. Used as an everyday policing tool and for special operations, predictions are generated for each shift and delivered on paper or to any internet-connected mobile device. The predictions are shown on maps as 500 foot by 500 foot boxes, about the size of a large intersection, that officers patrol during their shift when not responding to calls for service or performing other duties.

PredPol's patent-pending, web-based software as a service (SaaS) drives the cloud applications, data pipe applications, and all other crime-related applications that LPD may require. Three types of crime data – type of crime, place of crime, and time of crime – are pushed through a secure internet connection from LPD's RMS to PredPol's servers. Predictions are then generated and made available anytime a user logs in to the system.

Part of this technology will be provided by PredPol under an exclusive license from Santa Clara University in Santa Clara, California, while other aspects of the technology have been created by PredPol itself.

❑ TERMS

1. Financial Parameters, Including Discounts:
   a. For Livermore Police Department, there is a one-time setup fee of $5,000 and an annual subscription fee of $31,400.

   b. Discounts: PredPol has provided LPD discounts off the annual subscription fee of $46,000 and the one-time setup fee of $9,000.
      i. PredPol has provided these discounts because LPD and the Pleasanton Police Department have both agreed to a multi-agency deployment before the end of 2014, because LPD has advised PredPol about the technology landscape in Alameda County and the Bay Area, and because LPD and Pleasanton PD have taken lead positions in deployment of predictive policing.
      ii. If the Pleasanton Police Department does not agree in writing to deploy PredPol by June 30, 2015, then LPD's multi-agency discount does not

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  apply and LPD's Year One annual fee will be $36,800. The additional balance for Year One would be due July 1, 2015.

   iii. The Year Two annual fee is $31,400 unless the multi-year discount does not apply, which will make the Year Two annual fee $36,800.

  c. There are no additional fees for training, no individual license fees, no need for new hardware or new hiring, and no limit on the number of LPD users or prediction views.

  d. New features, maintenance, and upgrades for PredPol's crime predictive technology will be provided at no additional cost during the Initial Services Term.

2. Non-Financial Parameters: LPD agrees to *reasonably* support PredPol's deployment and development by doing the following during the term of this Agreement:

  a. Deploy and utilize the PredPol tool and the intelligence it generates;

  b. Generally support the deployment of any new features/tools, including providing user feedback, as requested by PredPol;

  c. Provide access to relevant databases and shared databases to which the Agencies have access, pursuant to all applicable laws and access agreements;

  d. Occasionally respond to inquiries and host visitors from other agencies.

3. Two-Year Initial Services Term & Renewal: This Agreement is for an Initial Services Term of two years with annual payments due according to the terms set forth herein. Renewal following the Initial Services Term will be determined by both Parties in writing sixty (60) days prior to the second anniversary of the Services Commencement Date.

A screenshot of PredPol's predictive boxes that patrol officers receive on paper or any mobile device. Predictions are specific to their shift and sortable by crime type.

AGREEMENT FOR PREDICTIVE POLICING SERVICES
PREDPOL & THE LIVERMORE POLICE DEPARTMENT

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❑ SCOPE OF WORK

Scope of Work: PredPol shall provide services, resources, and tools to support a successful implementation of the software tool to support Livermore's efforts to suppress, deter, and reduce crime. The scope of work will include the following:

- Setup of and integration of the PredPol tool into LPD's existing RMS/CAD/data system. Timeline for setup is dependent upon grant of access by LPD to PredPol's technician for installation of the secure data pipeline.

- Opening of a secure data stream from your database to PredPol's computers that provides type of crime, place of crime, and time of crime. Frequency of data update (daily, hourly, every few minutes) is dependent on the degree of access granted to PredPol to stream data provided by LPD.

- Provide electronic transfer of 500' x 500' predictive locations (latitude and longitude data) identified by PredPol to LPD for electronic consumption by LPD's computer systems. The details of the data exchange will be determined through conversations with your information technology staff and depend on your existing RMS/CAD/Data system and mapping technology, if any.

- Access to 3, 7, 14 and 28 day historical crime mapping for crime types that LPD wishes the tool to predict.

- Provide command staff, supervisors, and analysts with training and best practices.

- Provide tools that track the effectiveness of predictive boxes and patrols on crime levels in Livermore.

- Full access to the tool, including unlimited users, unlimited prediction views, and report generation.

- Provide phone, online, and email support for technical and operational use.

- Inclusion of feature updates at no additional charge during the subscription term.

❑ DEPLOYMENT STEPS AND TIME SCHEDULE

Implementation of predictive policing in LPD will include the following steps and proposed schedule:

- **Setup of and integration of the PredPol tool into LPD's existing RMS/CAD/Data system.**

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Timeline for setup is dependent upon grant of access by LPD to PredPol's technician for installation of the data pipeline. If an agency provides initial data transfer within two weeks of an agreement, the PredPol system is usually ready to generate predictive maps within 45 days of signing.

- **Installation of a data pipe from LPD to the PredPol SaaS.**
  Frequency of data update (daily, hourly) is dependent on the degree of access granted to PredPol to stream data from LPD.

- **Electronic transfer of 500 square foot predictive locations (latitude and longitude data) identified by PredPol to LPD.**
  The details of the data exchange will be determined through conversations with LPD's information technology staff and depend on LPD's existing RMS/CAD/Data system and its existing mapping technology, if any.

- **Training.**
  PredPol recommends a "train the trainers" approach for command staff, supervisors, and analysts once the system goes live. This provides a better understanding of the system and allows new officers to be trained when they start work rather than waiting to coordinate scheduling with PredPol every time a new officer comes aboard. Training usually takes less than two hours, including questions and answers. PredPol always provides client support and training materials online and is available to train officers via live web sessions.

Deliverable/Task	Target Date
Signed Agreement	8/8/14
Kick-off meeting or conference call	on or before 8/11/14
Initial data transfer	8/16/14
System configuration & data conversion/upload complete	8/25/14
Go-Live	9/3/14
Training	9/3/14

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LIVERMORE
CALIFORNIA

City Clerk's Office
1052 South Livermore Avenue
Livermore, CA 94550-4899
Phone: 925.960.4200   Fax: 925.960.4205

DOCUMENT TRANSMITTAL FORM

Date: September 11, 2014

To: PredPol, Inc.
      Attn: Donnie Fowler
      2801 Mission St, Suite 2803
      Santa Cruz, CA 95060

cc: R. Morris
      L. Carpenter

PLEASE READ THE FOLLOWING:

X	Original document enclosed for your records

Date of Document:	September 10, 2014
Type of Document:	Subscription Agreement
Parties:	City of Livermore and PredPol, Inc.

Susan Neer, City Clerk
By: Roberta Mathews
     925.960.4200

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CITY OF LIVERMORE
DETERMINATION OF CONFLICT OF INTEREST
REPORTING FOR CONSULTANTS

Consultant Name (include name of specific person doing work if known).

PREDPOL

Contract/Project Title.

Online data services to analyze crime history and patters.

Brief Description of work to be done, or final product, and how it will be used.

Hosted data services for 2 years to provide predictive crime analytics.

Is the Consultant making, participating in making, or influencing a governmental decision?	Yes ____; No __X__ .
Is the Consultant performing work that could or would be done by an employee identified in the City of Livermore Conflict of Interest Code?	Yes ____; No _X___ . If YES, please identify the title for the designated employee:

Completed by Department Head
Signature: _____   Date: __8/25/14_____

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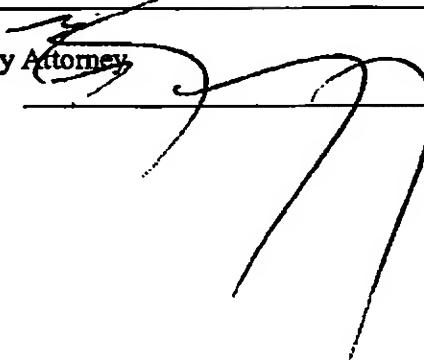City Attorney Determination:
Disclosure: [X] None   [ ] Category 1   [ ] Category 2   [ ] Category 3   [ ] Category 4
Name and address of each individual subject to reporting requirements:

Comments:

Assistant/City Attorney
Signature: _____   Date: 8/28/2014

OR
OP/OC

SOLE-SOURCE JUSTIFICATION
For use on all goods and services acquisitions.

This justification document consists of two (2) pages. All information must be provided and all questions must be answered. The "Required Approvals" section must include a date for each signature, as appropriate for the transaction.

Requesting Department Information	
Requestor Name: **Chief Michael D. Harris**	**Division Manager:** **Greg Park** (Type names. Do not sign.)
Department: **Police**	**Department Head:** **Michael D. Harris – Police Chief** (Type names. Do not sign. Must be same as signature below.)

Department Contact Information	
Contact Name: **Greg Park**	**Street Address:**
Telephone: **(925) 371-4913**	1110 S. Livermore Av., Livermore CA 94550
FAX: **(925) 371-4707**	**Shipping Address:**
Cellular phone: **(925) 580-7935**	**Same**

Required Contact Information	
Contractor/Supplier Name: **PredPol, Inc**	
Contractor/Supplier Address: **2801 Mission St. Suite 2803, Santa Cruz, CA 95060**	

Original Contract Amount:* **$ 78,600.00** (*Includes original contract and previously approved amendments)	Amendment Amount:* (if applicable) $ (*Current amendment only)	New Contract Amount: * $ (*Includes original contract and all amendments, including current amendment)

Provide a brief description of the acquisition, including all goods and/or services to be acquired.

PredPol, Inc. will provide the Police Department with annual on-line data services subscription to analyze crime history and patterns to provide opportunities for proactive policing. 2 year agreement is not to exceed $78,600.

Contract Type and Term

Contract Type: Select One: ☐ Goods ☒ Service ☐ Goods & Services	Contract Term: (if applicable) Begin:__ September 2014___ End:____ December 2016___	What account number will be used to purchase Short Key: 63533 & 63531 JAG 2013 & 2014	

Requestor	Department Head	Financial Services Mgr.	City Manager ($25k - $100K)
☐ Approved ☐ Denied	☒ Approved ☐ Denied	☐ Approved ☐ Denied	☐ Approved ☐ Denied
_____ Sign & Date	_____ Department Head Signature & Date	_____ Financial Services Mgr. Signature & Date	City Manager Signature & Date (Transactions exceeding $50,000 must be council approved)

Remit completed form to: Purchasing Division
1052 S. Livermore Avenue, Livermore, CA 94550

Complete responses must be provided for all of the following items.

OR

OP/OC

A. THE GOOD/SERVICE REQUESTED IS RESTRICTED TO ONE SUPPLIER FOR THE REASONS STATED BELOW:

1. **Why is the acquisition restricted to this goods/services/supplier?**
(Explain why the acquisition cannot be competitively bid.

PredPol offers a multi-year crime analysis and predictive policing service based on predictive algorithm developed by Dr. George Mohler, an assistant professor of mathematics and computer science at Santa Clara University and additional work at UCLA.

2. **Provide the background of events leading to this acquisition.**
This is a regional joint project with Pleasanton and Dublin Police Departments.

3. **Describe the uniqueness of the acquisition (why was the good/service/supplier chosen?)**
The identified vendor offers a unique and proprietary service in the field of predictive crime analytics and crime trends utilizing nearly 10 years of historical crime data.

4. **What are the consequences of not purchasing the goods/services or contracting with the proposed supplier?**
PredPol's service is to assist the Department with identifying and deterring crime. The anticipated outcome is that crime rates in the City of Livermore will go down as this service is implemented and deployed.

5. **What market research was conducted to substantiate no competition, including evaluation of other items considered?**
(Provide a narrative of your efforts to identify other similar or appropriate goods/services, including a summary of how the department concluded that such alternatives are either inappropriate or unavailable. The names and addresses of suppliers contacted and the reasons for not considering them must be included OR an explanation of why the survey or effort to identify other goods/services was not performed.)

Pleasanton Police Department initiated the discussion about predictive analytics in the Tri-Valley area and invited Livermore Police Department to participate in this regional project. Findings reported by Los Angeles Police Department during their testing period are: In a 2012 pilot phase, the Los Angeles Police Department Foothills area recorded a 25% decrease in burglaries in a six-month period over the previous year, according to Sean Malinowski, commanding officer of the Real-time Analysis and Critical Response division. "The idea is to prevent crime." ComputerWorld, Oct 24, 2013.

B. PRICE ANALYSIS

1. **How was the price offered determined to be fair and reasonable?**
(Explain what the basis was for comparison and include cost analyses as applicable.)

Price is being offered to the City at a reduced rate as part of a multi-agency deployment.

2. **Describe any cost savings realized or costs avoided by acquiring the goods/services from this supplier.**

As presented in B. 1., price is being offered to the City at a reduced rate as part of a multi-agency deployment.

TAB THROUGH DOCUMENT TO ENTER INFORMATION

14-282

STANDARD AGREEMENT TRANSMITTAL FORM

To: City Attorney's Office   Date: 8/21/2014
From: Contact (Person Routing):   Dept.:   Police
        Chief Michael D. Harris   Phone #: G. Park x4913

Contractor/Consultant/Dev: **PredPol**
Description of Project: **Online data services to analyze crime history and patterns**

Approval: Department Head/Division Manager Approval: _____

Records Retention :

☐ *Infrastructure* *(Examples: Architects, Buildings, bridges, covenants, development, environmental, Joint Powers, MOUs, park improvements, property & property restrictions, redevelopment, reservoirs, sewers, sidewalks, street & alley improvements, settlement, subdivisions, utilities, water, etc.)*

☑ *Non-Infrastructure* *(Examples: Consulting, grants, disposal, franchises, housing, leases, legal services, loans, paving, painting, professional services, services, slurry seals, tree trimming, etc.)*

Completion Date: Annual services   ☐ As shown on document   ☐ Estimated

Council Approval:

☐ Requires City Council approval.   Meeting Date:_____

☑ Does not require City Council approval, because the contract is under $100,000 and (1) is not for the construction of a public work or (2) does not involve the acquisition or disposition of real property.

Routing: 1. City Attorney/Risk Manager for insurance check and form approval.
               2. City Clerk will Log on Permits Plus and obtain signature of City Manager or Dept Head.
               3. When agreements are **fully executed**, the City Clerk's Office will distribute as follows:

Send signed original to other party at: Send and/or route copy to:
PredPol, Inc.   Robin Morris - Police Department
Attn: Donnie Fowler
2801 Mission St. Suite 2803
Santa Cruz, CA 95060

Summary/Explanation of Request: Please complete Summary/Explanation for the City Manager or submit a separate memo.

PredPol, Inc. will provide the Police Department with annual on-line data services subscription to analyze crime history and patterns. 2 year agreement is not to exceed $78,600.
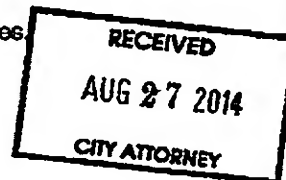
City Clerk's Office

SEP - 4 2014

City of Livermore

Attachments: *ORIGINAL SIGNATURES ARE REQUIRED.*
☑ Two original Agreements/Contracts with original signatures. State, federal, county agreement - signatures not required.
☐ Two original Supplemental/Amendment/Extension Agreements with original signatures.
☐ Exhibits.
☑ Determination of Conflict of Interest Form.
☐ Certificates of Insurance.   ☐ On File   ☐ Attached
☐ Current Business License on file will follow-up ✓ RC
☐ Bonds (if required).

RECEIVED
AUG 27 2014
CITY ATTORNEY

Routing (City Attorney's Office Use): [ ] JAL [ ] AMO [✓] KYO [ ] CFO   LOG NO. 2014-313